Turkish envoy calls on FBCCI chief

UNB, Dhaka

Turkish Ambassador to Bangladesh Ferit Ergin yesterday called on Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) President Abdul Awal Mintoo and talked expansion of bilateral trade and economic cooperation between the two coun-

It could be a great opportunity for Bangladeshi private sector leaders to meet their Turkish counterparts to find out ways to expand bilateral trade and investment, the ambassador told the meeting held at FBCCI

He stressed the need for frequent exchange of trade delegation between the two countries.

Emphasising Dhaka-Ankara direct trade link, Ergin invited the FBCCI chief to attend the OIC Business Forum to be held next November at Istanbul.

Terming Bangladesh's investment laws liberal and fantastic. Mintoo urged Turkish investors to come forward to invest in potential sectors of the country.

Among others, FBCCI directors Dewan Sultan Ahmed, M Ebaydul Haque Chand and SM Nazrul Islam, FBCCI Secretary General Col MM Jahangir and Mir Muniruzzamar were also present.

Opsonin forays into animal health care sector

Opsonin Chemical Industries Limited, a leading pharmaceutical company in Bangladesh, has launched its new strategic business unit, Opsonin Agrovet, for animal

A press conference was held on Monday in Dhaka to mark the launching of the business unit, says a press statement.

Speaking at the press conference Group Product Manager of the company Mohammad Shaheen Shah said the company will soon market seven products including ADEC, DCP Plus. Ribothin, BC Mix, FP, Phoscal PD and Marketing Manager of Opsonin

Jahangir Hyder gave a brief description of the new unit.

IBM to manage IT functions of SIA

AFP, Singapore

IBM will manage the information technology (IT) infrastructure of Singapore Airlines (SIA) under a 300 million Singapore dollar (181 million US) deal signed Tuesday, the two firms announced.

The seven-year agreement comes into effect on November 18, they said in a joint statement.

"Under the agreement, IBM will manage SIA's data centre, end-user computing support service and information technology help desk," it

SIA announced on September 24 it was outsourcing its entire IT division but did not name the company. It also said at that time that 130 SIA staff will be laid off as a

The statement said that SIA staff in affected areas "have been offered the opportunity to join IBM on a package comparable in both remu-

India central bank tightens key overnight rate

AFP, Bombay

India's central bank raised its benchmark overnight interest rate Tuesday, citing concners over high inflation, but left its longer term lending rate on hold.

The Reserve Bank of India (RBI) also cut its growth forecast for Asia's fourth largest economy to 6.0-6.5 percent for the fiscal year to March 2005 from an earlier 6.5-7.0 percent target. The economy grew 8.2 percent the previous year

It blamed the lower growth outlook on patchy rains in the farm-reliant economy where nearly 60 percent of India's over one billion population depend on agriculture for a living, along with the impact of record oil prices on a country which imports 70

percent of its crude oil needs. "Gross Domestic Product (GDP) growth is likely to be less than originally projected mainly due to deficient monsoon conditions and partly due to volatile international oil prices," RBI governor Y. Venugopal Reddy said in his mid-term monetary policy review.

Trading of 2 cos suspended

Investors stuck with shares worth Tk12.27 crore

M SHAMSUR RAHMAN

Two companies, allowed to raise Tk 12.27 crore from the stock market some four years ago amid strong resentment from Dhaka bourse, have been slapped with trading suspension by the Securities and Exchange Commission (SEC) vesterday on the ground that the companies are closed for a long

The suspended companies are Meghna PET Industries Limited and Meghna Condensed Milk Industries

Meghna PET Industries went public in 2000 with an issue of Tk 12 crore of which sponsors' share capital was Tk 6 crore. Sabinco. a joint investment company of Saudi Arabia and Bangladesh, had an

investment worth Tk 1.725 crore while the company raised Tk 3.275 crore through private placement and the rest Tk1 crore was raised from the general public

Meghna Condensed Milk Industries Limited went public in 2001 with an issue of Tk 16 crore of which the sponsors subscribed Tk 8 crore while Tk6 crore was raised through private placement and rest Tk2 crore was offered to general

Prior to approving the initial public offerings (IPO) of Meghna PET Industries and Meghna Condensed Milk, the SEC sought comments from the Dhaka Stock Exchange (DSE).

In both the cases, the DSE voiced concern over the viability of the projects identifying a number of

discrepancies

The DSE pointed out to another sister concern of the group, Meghna Vegetable, which got listed in 1997 with lacklustre performance.

But the SEC went ahead with the

IPOs allowing both the companies to raise fund from the market. The investors who had put their hard earned savings into the com-

panies suddenly find their invest-

ment get stuck not knowing when

they will get their money back. Meghna PET Industries Ltd On October 29, 2000, the Dhaka bourse in its comments pointed out that the company is a sister concern of Meghna Vegetable Oil, which failed to perform according to pro-

The DSE said Meghna PET is

jections made in its prospectus

ssued in 1996.

run by the same management "whose performance is not at all satisfactory.

"Meghna PET purchases refined soyabean from the sister concerns of Meghna Vegetable Oil and Bagdad Vegetable Oil at market price. The income statement of Meghna Vegetable Oil shows the cost price of oil more than the sale price. This may be interpreted as sale of refined soyabean oil to Meghna PET at below cost to project 20 percent dividend to the shareholders of Meghna PET in the next consecutive five years," the DSE report observed.

It said the company has projected its market share of drinking water at 40 percent and soyabean oil at 30 percent. "Considering the fierce competition, this projection is

Global aircraft

makers eye

India's huge

AFP, New Delhi

aviation growth

Global aircraft makers battling for

business are likely to get billions of

dollars of passenger aircraft orders

from India where air travel is poised

for massive growth, industry offi-

More than 15 million people

boarded planes to travel within India

in the last financial year, up 20

percent from the previous year,

industry figures show, and last

year's growth is seen as just the tip

fly. The railways carry in one day the

number of people that fly in a year so

there's big potential," Airbus

spokesman David Velupillai told

"As the market is stimulated by

The number of passengers is

lower fares, there will be more

expected to grow to 50 million in five

years as a booming economy and

new low cost carriers stimulate

demand, said the consultancy

Airbus has forecast the Indian market will need 222 more aircraft

worth 17.5 billion dollars in today's

currency over the next 15 years.

compared with fleet strength of 150

now at the disposal of private and

Rival aircraft-maker Boeing has

estimated demand will be around

270 to 300 aircraft worth 25 billion

based in Sydney, Australia.

state-run domestic carriers.

dollars over the next 20 years.

demand," he added.

"Many people in India have yet to

highly exaggerated."

The DSE observed as Meghna PET is involved in similar nature of business like Meghna Vegetable and Bagdad Vegetable, the reason for non performance in case of the two sister concerns will also be equally applicable to Meghna PET.

The report said Meghna Vegetable enjoyed a tax holiday for seven years till the end of February 1999. "Before that Meghna Vegetable showed profit and now that the tax holiday is over, all the activities are being transferred to Meghna PET which is now enjoying tax holiday."

"It appears the group's activities are motivated to evade tax and with the past performance record of the group it can be assumed that proposed dividend of Megna PET at 20 percent for the next five years is quite unlikely," the report stated.

Meghna Condensed Milk **Industries Ltd**

Commenting on the public issues of Meghna Condensed Milk, the DSE pointed out that the debt equity ratio of the company is 83:17.

"High debt will increase risk as well as expenses which will make the company a losing concern," the DSE report said.

It said increased bank loan and directors' loan is not a good sign for any company, particularly showing of directors' loan paves the way for abnormally higher project cost that results in showing loss in future.

Despite repeated attempts officials of Meghna PET and Meghna Condensed Milk could not be reached for their comments.

Institute of **Internal Auditors** of Bangladesh launched Institute of Internal Auditors (IIA) of

Bangladesh, an affiliated body of the US-based IIA Inc, was officially launched on Monday. AK Chowdhury of Hoda Vasi

Chowdhury & Co has been made the president of the institute.

Syed Rafigul Alam of Level Brothers and Sarwar Azam Khan of GlaxoSmithKline have been made vice-presidents of the Institute while Raihan Shamsi of GrameenPhone made secretary general and Haikel Hashmi of American Express Bank treasurer, says a press release.

Other Governing Board members are Adeeb H Khan of Rahman Rahman Hug, Suraiya Zannat of World Bank, Parveen Mahmud of PKSF, Atique-e-Rabbani of TCL and Shahjahan Majumder of P&O Nedlloyd

The governing board was approved in a members' meeting on . . . Monday in Dhaka The US-based IIA Inc is a global

organization having 88,000 professional members in 150 countries

BGMEA team

meets foreign

A seven-member delegation of

BGMEA led by its President Annisul

Hug called on Foreign Minister M

Morshed Khan at his office yester

tation before the foreign minister on

'Multi Fibre Agreement (MFA) &

Bangladesh, the Imperative of

Many proposals were put forward to further develop the garment

The delegation members sought

government cooperation to

The delegation made a presen-

minister

UNB, Dhaka

Readiness'.

sector in the country.

Oct. 27 - Nov. 12, 2004, 10:00 am - 10:00 Gulshan Shooting Club, Gulshan, D Daily Star

Usa Charoensun, chairperson of Thai Business Society in Bangladesh, speaks at a press conference yesterday in Dhaka on the eve of a two-

Thai Lucky Grand Fair begins today in Dhaka

STAR BUSINESS REPORT

A two-week long Thai fair begins today at Gulshan Shooting Club in Dhaka to offer a wide range of products from Thailand.

Commerce Minister Altaf Hossain Choudhury is scheduled to inaugurate the show -- Thai Lucky Grand Fair 2004. Advisor to Commerce Ministry Barkat Ullah Bulu will also attend the opening

Thai Business Society in Bangladesh in association with Thai Embassy is organising the exposi-

Oil prices retreated further from

record highs Tuesday as offshore

workers in Norway, the world's third-

biggest oil exporter, announced a

halt to their four-month strike, eas-

New York's main contract, light

sweet crude for delivery in

December, dropped 24 cents to

54.30 dollars a barrel in electronic

crude oil for delivery in December

lost 44 cents to 50.34 dollars a

an all-time high of 55.67 dollars a

barrel on Monday while Brent

reached a record summit of 51.90

dollars before fears of major dis-

will return to work on Wednesday,

putting an end to their months-long

strike, the workers' union OFS

The announcement came a day

after the Norwegian government

announced that it intended to

intervene in the conflict and impose

arbitration on the two sides in order

to prevent a total interruption of

Norway's offshore oil workers

ruption in Norway began to ease.

The price of Brent North Sea

The main US oil contract had hit

ing concerns over supplies.

barrel in early deals.

union said.

AFP, London

tion, the first of its kind in Dhaka. Earlier in September this year, a similar fair was held in Chittagong,

A total of 30 Thai companies will put their products such as handicrafts, decorative items, pottery, household electrical appliances. fruits, beverages, cosmetics, and medical services at 45 stalls in the fair, organisers told a press conference yesterday in Dhaka

Usa Charoensun, chairperson of Thai Business Society in Bangladesh, Abdul Aziz, member of Thai Business Society in Bangladesh, Nawazish Ali Khan,

Oil prices drop as workers

Offshore workers were expected

However, traders said a cooling

to return to work as of midnight

(2200 GMT) on Wednesday, OFS

of prices was likely to be brief as

underlying market sentiment

remains buoyant due to heating oil

supply worries ahead of the north-

ern winter and continued strong

because of the cold weather in the

States, so we are keeping an eye on

the heating oil as well," said Lee

Elliott, a trader at brokers GNI-Man

their efforts to calm volatile markets.

Organization of Petroleum

Exporting Countries said global

crude oil overproduction was now

running at some 2.1 million to 2.5

million barrels per day (bpd), mostly

also Indonesia's energy and mineral

resources minister, said in Jakarta

he had already called on members

of OPEC to release all their supplies

"to give a positive signal to the

Purnomo Yusgiantoro, who is

from OPEC members

Meanwhile producers kept up

The president of the

"Prices could go stronger

call off strike in Norway

Norwegian oil production.

global demand for oil.

vice-president of TV channel ATN Bangla, Akhteruzzaman, brand manager of RC Cola, and Rubayat Ahsan, event manager of Ardent Marketing and Communication Ltd. attended the press conference.

The fair will remain open to visitors everyday from 10am to 10pm until November 12 and each visitor wil have to pay Tk 10 for entry.

The Daily Star and ATN Bangla are the official media partners of the

Oil prices have been rising

steadily on concerns over low US

heating oil stocks and still strong

demand from China's booming

But Prudential Bache broker

"There is no real figure available

"There is no indication of what

Christopher Bellew said there was

no transparency to China's energy

as to what China is using and what

the Chinese supply cushion is, and

so no real understanding of what

world demand really is," he added.

Analysts said the closely-

watched release of a weekly US oil

inventory report, due Wednesday,

would have a big influence on the

about two-thirds since the start of

they remain well below the levels

reached in the wake of the 1979

Iranian revolution when prices

surged beyond the equivalent of 80

dollars a barrel in today's money.

World oil prices have surged by

Adjusted for inflation, however,

economy

China is storing.

direction of prices.

Pakistan plan free trade talks

Malaysia and Pakistan have agreed to start negotiations that could lead to a free trade agreement, Pakistan's Foreign Minister Khurshid Mahmud Kasuri said Tuesday

joint commission meeting.

the two countries was heavily tilted in Malaysia's favour and said a preferential trade arrangement (PTA) could address the imbalance.

Total bilateral trade in 2003 was 713 million dollars, with 623 million dollars going to Malaysia.

which accounts for some 500 million dollars -- and electronic products from Malaysia, and rice and textiles from Pakistan. Malaysia is also actively involved

in oil and gas projects, construction and communications in Pakistan.

of Pakistan's Export Promotion Bureau, said he hoped the PTA could be signed by October 2005.

commission meeting," he told AFP. Akbar said Malaysia could enjoy

"We want to start talks on the PTA in the next three months with Malaysian trade officials. We would love to sign the PTA at the next joint

Bangladesh RMG fair in Japan ends today Support Centre Hall in Tokyo.

STAR BUSINESS REPORT

The first-ever Bangladesh apparel fair in Japan, which began in Tokyo on Monday, ends today A number of 19 Bangladeshi

woven, knit and sweater manufacturers are participating in the fair and showcasing their readymade garments to woo Japanese buyers and customers, according to a press Bangladesh Garment Manufacturers and Exporters

Association (BGMEA) and SouthAsia Enterprise Development Facility (SEDF) have organised the exhibition in association with Bangladesh Embassy in Tokyo and the Japan External Trade Organisation (Jetro).

Earlier, M Serajul Islam, Bangladesh ambassador to Japan, formally inaugurated the three-day fair on Monday at Jetro Business

furnace oil

Bearing the brunt of price hike of

furnace oil, entrepreneurs of small

and medium industries demanded

adjusting the rate taking price of gas

According to industry sources,

price of furnace oil was re-fixed at Tk

12 per litre with effect from June 8

The entrepreneurs at a meeting

closed that some industries have

already been closed down due to price

furnace oil was fixed at Tk 12 per litre

Earlier in January 2001, price of

STAR BUSINESS REPORT

into account.

Motoharu Fujikura, country

manager of International Finance Corporation (IFC), Japan, Kunio Sumiyoshi, executive vicepresident of Jetro. Alamgir MZ Rahman, second vice-president of BGMEA, Sotaro Nishikawa, representative of Jetro, Dhaka, and Anwar-Ul-Alam Chowdhury, vicepresident (Finance) of BGMEA, were also present at the inaugural ceremony.

A seminar titled 'Prospect for Growth of Bangladesh Apparel Export to Japan-Beyond, 2004' was also held on the sidelines of the exhibition. The inaugural session also

included a colourful fashion show highlighting Bangladeshi apparels of different brands and Bengali dance performed by Japanese

but due to pressures from local indus-

tries the price was refixed at Tk 8 per

Chittagong-based Eastern

Refinery Limited (ERL), a subsidiary of

BPC, produces furnace oil from crude

oil as a by-product. In the 2002-2003

financial year, ERL produced 3.99 lakh

ton furnace oil. Apart from selling 2.76

ton furnace oil in local market, more

2.85 lakh ton furnace oil of which 2.22

lakh ton was sold in the local market

and the rest was exported. ERL will

remain closed from November 25 for

Furnace oil is used for ship

bunkering and in the power plant as

fuel. It is also used in some ceramic

industries, small paint factories and

In the 2001-2002, ERL produced

than one lakh ton was exported.

its restructuring.

enhance capacity building in the sector and further promotion of the industry The minister said BGMEA has been playing an important role in the

development of the country's econ-He said BGMEA has to take

nitiatives to survive in the international market. He assured them of all-out help in this regard.

BP quarterly profits soar

AFP, London

British oil giant BP reported a 43percent rise in third-quarter pro forma net profit Tuesday to 3.94 billion dollars (3.08 billion euros) thanks to soaring crude prices and

534 pence in late morning trading here as analysts voiced concern that the company was struggling to keep a lid on its spending.

BP said the trading environment in the quarter was "generally stron-

performance against the backdrop of strong global demand," said chief

this year, which was Tk 8 per litre earlier. Since then the furnace oilusing industries are facing serious crisis with their production cost Malaysia, creeping up. with Bangladesh Petroleum Corporation (BPC) recently dis-

AFP, Kuala Lumpur

"We have agreed to invite a (Malaysian) delegation to Pakistan to come and look at a preferential trade arrangement leading to Free Trade Area (FTA) framework, Kasuri told a news conference at the end of a two-day Malaysia-Pakistan

Kasuri noted that trade between

Major trade items are palmoil --

Abid Javed Akbar, vice-chairman

lower duties on palmoil if it signed the PTA, adding that Pakistan hoped to export more rice and textiles to Malaysia.

SMEs decry expensive

booming demand.

But BP shares fell 0.65 percent to

ger" than a year ago and was marked by higher oil and gas realizations and higher refining and chemicals margins. "This has been another strong

executive John Browne.